



Request for City Council Committee Action from the Department of Public Works

Date: October 7, 2014

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Subject: **Assessment Public Hearing: Water and Sewer Service Line Repairs or Replacements**

Recommendation:

Passage of a Resolution adopting the assessments in the total amount of \$820,171.67 for water service lines and \$241,285.58 for sewer service lines, levying the assessments, adopting the assessment rolls and directing the City Clerk to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

Previous Directives:

August 19, 2014 - T&PW Committee set a public hearing for October 7, 2014.

Department Information:

Prepared by: Suzette Hjermstad, Supervisor, Public Works Special Assessment Office
Lisa Cerney, P.E., Director, Surface Waters & Sewers

Approved by: _____
Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Rock Rogers, Public Works Water Administration

Financial Impact

- Special assessments against benefited properties.

Community Impact

- Neighborhood Notification: Public hearing notices mailed to property owners on September 22, 2014
- City Goal: Great Places: Natural and built spaces work together and our environment is protected.
- Comprehensive Plan: Consistent

Supporting Information

Section 509.465 of the Minneapolis Code of Ordinances provides a procedure whereby a property owner in need of repair or replacement of a private water or sewer service line may request and authorize the City of Minneapolis to do the necessary work with the property owner having the option of either paying directly through a bill or paying through a special assessment being added to the real estate taxes.

Section 509.465 of the Minneapolis Code of Ordinances further provides a procedure whereby the City may correct a faulty water service line upon the failure of the owner to do so or agree to do so. If the bill for the corrective work is not paid, the cost may be recovered through the special assessment procedure of Section 509.465 of the Minneapolis Code of Ordinances.

The properties on the lists to be assessed had the water or sewer service line work done by either the City or private contractors licensed by the City. They have not paid the full amount owed through the billing process and have been notified that a special assessment, which includes interest, will be added to their real estate taxes.

The amount to be assessed as special assessment principal is the cost of the work plus a \$50 administrative fee. The total principal amount of the proposed assessments on the lists is \$840,221.67 for water service lines and \$244,085.58 for sewer service lines. The assessments would be collected over 5 years beginning on the 2015 real estate tax statements with interest charged at 5%. This is the rate provided in Section 509.465 of the Minneapolis Code of Ordinances, as amended by City Council action on August 20, 2010.

Information has been provided in the Notices as to how property owners may prepay the assessments in full without interest charges if they choose.

The Minneapolis City Council has passed Resolutions whereby a deferment of special assessment may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Notice translations in Spanish, Somali and Hmong were included with each mailing to accommodate non-English speaking residents and to provide them with a phone number to call a translator for more information.

Attachment 1: Water Service Line Assessment List by Address
 Sewer Service Line Assessment List by Address

T&PW – Your Committee recommends passage and summary publication of the accompanying Resolution adopting the assessments, levying the assessments and adopting the assessment rolls for water and sewer service line repairs or replacements on the lists of properties as on file in the Office of the City Clerk and with the City Engineers Special Assessment Office.

Reich

Adopting the assessments, levying the assessments and adopting the assessment rolls for water and sewer service line repairs or replacements on the lists of properties as on file in the Office of the City Clerk and with the City Engineers Special Assessment Office.

Whereas, a public hearing was held on October 7, 2014 in accordance with Section 509.465 of the Minneapolis Code of Ordinances to consider the proposed assessments as shown on the proposed assessment rolls on file in the Office of the City Clerk and with the City Engineers Special Assessment Office and to consider all written and oral objections and statements regarding this matter;

Now, Therefore, Be It Resolved by the City Council of The City of Minneapolis:

That the proposed assessments against the affected properties on the Water Service Line Repair List, dated September 3, 2014 in the total amount of \$820,171.67, as shown on the proposed assessment roll on file in the Office of the City Clerk and on file in the City Engineers Special Assessment Office, is hereby adopted and levied;

That the proposed assessments against the affected properties on the Sewer Service Line Repair List, dated September 3, 2014 in the total amount of \$241,285.58, as shown on the proposed assessment roll on file in the Office of the City Clerk and on file in the City Engineers Special Assessment Office, is hereby adopted and levied.

Be It Further Resolved that the assessments be collected in five (5) successive equal annual principal installments beginning on the 2015 real estate tax statements with interest charged at the rate of 5%.

Be It Further Resolved that the assessment rolls as prepared by the City Engineer be and hereby are adopted and that the City Clerk is hereby directed to transmit certified copies of said assessment rolls to the Hennepin County Auditor.